

April 2005

Dear friends and neighbors,

It's property tax time again. As homeowners prepare to pay their taxes for the first half of this year (due April 30), I'm reminded of the extraordinary burden property tax bills place on many low-income seniors.

I remain very concerned for homeowners whose taxes rise faster than their income. For this reason, I have worked in the Legislature to reduce the property tax burden for senior citizens. I have previously introduced legislation that would reduce the interest rate and penalties on seniors and other homeowners who are late in their payment and having trouble making their property tax payment. Last year, I supported legislation to increase the number of senior citizens and the disabled who could qualify for property tax relief.

I believe government's claim to tax revenue should never be the cause for people to lose their homes. At some point, we have to say you own your home, and we will not allow government to take that away from you.

This pamphlet describes how you can take advantage of the tax breaks the Legislature has adopted for seniors.

As always, I'm interested in hearing from you about this or any other issue regarding state government. You may call or write my office using the address/phone information listed below.

Thank you for allowing me to serve you!



Rep. Dan Roach  
31st District

State Representative • 31st District  
**Dan Roach**



P.O. Box 40600  
Olympia, WA 98504-0600  
(360) 786-7846

[roach.dan@leg.wa.gov](mailto:roach.dan@leg.wa.gov)

Toll-free Legislative Hotline:  
1-800-562-6000

For more legislative news and  
information, please visit my web-  
site at:

[http://hrc.leg.wa.gov/members/  
roach.htm](http://hrc.leg.wa.gov/members/roach.htm)

PRESORTED  
STANDARD  
U.S. POSTAGE PAID  
OLYMPIA WA  
PERMIT NO 92

## Are You Getting the Property Tax Breaks You Deserve?

State Representative  
**Dan Roach**  
P.O. Box 40600  
Olympia, WA 98504-0600

## Important Property Tax Information for Senior Citizens



## Are You Getting the Property Tax Breaks You Deserve?

State Representative  
**Dan Roach**  
31st Legislative District  
(360) 786-7846



State Representative  
**Dan Roach**  
31<sup>st</sup> Legislative District

# Senior Citizen Property Tax Relief

## Property Tax Exemptions

### *Who qualifies?*

The Legislature has expanded the number of seniors who qualify for property tax exemptions.

You may qualify for property tax exemptions if you meet all of the following criteria:

- You are at least 61 years of age or disabled.
- You occupy the home for at least six months each year.
- You have a combined household income not exceeding \$35,000.

Expenses for Medicare health care insurance premiums, prescription drugs, in-home care, and the costs of care in a nursing home, boarding home or an adult family home may be deducted when calculating your income. You also can remain eligible for tax breaks if you are confined to a hospital, nursing home, boarding home or an adult family home if the residence is rented to pay the costs.

### *Valuation limit*

Qualifying citizens are entitled to property tax exemptions on their principal residence and up to one acre of land. The value of the residence is frozen at its value on Jan. 1 of the year in which you first qualify for the program.

### *Exemption schedule*

You are eligible for the following exemptions if your combined household income falls within the range indicated:

<u>Income</u>	<u>Exemption</u>
\$30,001 to \$35,000	All excess levies (special school levies are an example of excess levies).
\$25,001 to \$30,000	All excess levies and regular levies on the greater of \$50,000 or 35 percent of assessed valuation (\$70,000 maximum).
\$25,000 or less	All excess levies and regular levies on the greater of \$60,000 or 60 percent of assessed valuation.

## Property Tax Deferrals

If you are at least 61 years of age or retired because of physical disability -- and your disposable income is \$40,000 or less -- you may qualify for property tax deferrals. The state allows property tax deferrals on up to 80 percent of the equity in your home. The deferral program applies to your principal residence and up to five acres. Mobile homes may qualify as your residence, even if you do not own the land where the mobile home is located.

Under this program, you pay no property tax until the home is sold. The state pays the deferred taxes, and in exchange, receives a lien against the property equal to the amount of owed taxes plus 8 percent. Total taxes are collected when the property is sold or passed on.

## Additional Reductions

The following exemptions are available to all homeowners.

### *Remodeling*

If you improve your single family residence such as adding a new room, deck or patio, you may qualify for a three-year exemption on the value of the improvements. Normal maintenance does not qualify. This exemption is available to all homeowners. Be sure to contact the assessor's/treasurer's office before you finish your remodel project. Otherwise, you won't get the break.

### *Damaged/Destroyed Property*

If your property is damaged or destroyed, you may qualify for a reduced assessed value for taxes payable in the following year. Contact your assessor's office for the proper forms.

### ► How to apply for property tax breaks

For information on both property tax exemptions and deferrals, call your county assessor:

King County Assessor ..... (206) 296-7300

Pierce County Assessor ..... (253) 798-2169

For more information about our state's property tax laws, call:

Washington State Department of Revenue .. 1-800-647-7706

### *Current Use/Open Space program*

Owners of agricultural, open space or timberland may qualify for reduced assessed value under the current use/open space program. Please note that taxes, penalties and interest charges may apply when property is removed from this classification. Check with your assessor's office for more information.

## 2005 Pending Legislation

### *Expanding tax exemptions for widows*

#### *widowers of members of the military*

Legislation has passed the House and is being considered in the Senate that would exempt a portion or all property taxes assessed on the home of an honorably discharged veteran's widow or widower.

Under House Bill 1509, a veteran's widow/widower with an income of \$32,000 or less would be exempt from all property taxes on the first \$200,000 of assessed value. Those with an income of less than \$40,000 but greater than \$32,000 would be exempt from all property taxes on the first \$150,000 of assessed value. Those with an income of less than \$50,000 but greater than \$40,000 would be exempt from all property taxes on the first \$100,000 of assessed value.

The measure provides that the widow/widower of a veteran must not be remarried, be at least 61 years of age, or be retired due to disability.

If adopted by the Legislature, HB 1509 would be a small step in recognizing the service and sacrifices made by our veterans and the need to support their families.

## What are your thoughts?

I'd like to hear from you regarding property taxes or any other issue that involves state government. Please contact me and share your thoughts.

Rep. Dan Roach  
P.O. Box 40600  
Olympia, WA 98504-0600  
(360) 786-7846  
roach.dan@leg.wa.gov

Toll-free  
Legislative Hotline:  
1-800-562-6000